

**Board of Veterans Services
Meeting Minutes
November 13, 2020**

A meeting of the Board of Veterans Services (BVS) was held electronically on Friday, November 13, 2020.

Members Present

- Victor Angry
- Carl Bedell
- John Bell
- Carl Bess
- Paige Cherry
- Michael Dick
- Buddy Fowler
- Dan Helmer
- James Icenhour
- Thurraya Kent
- Lyla Kohistany
- Tammi Lambert
- John Lesinski
- Mamie Locke
- Kathleen Murphy
- Kathy Owens
- Bryce Reeves
- Frank Reyes
- Marcus Simon
- Julie Waters
- William Ashton, Chairman, Joint Leadership Council
- Jack Lanier, 2nd Vice Chair, Veterans Services Foundation
- Pam Seay, representing the Virginia War Memorial Foundation
- John Maxwell, Commissioner, Virginia Department of Veterans Services

Members Absent

- None

Commonwealth of Virginia Officials Present

- Jon Ward, Assistant Secretary of Veterans and Defense Affairs
- Steven Combs, Virginia Department of Veterans Services (VDVS)
- Claudia Flores, VDVS
- Thomas Herthel, VDVS
- Brandi Jancaitis, VDVS
- Chad Arcand, VDVS
- Ravi Padma, VDVS

- Gwendolyn Glover, VDVS
- Aaron Palmer, Office of Senator John Bell

Materials Distributed as part of the Agenda Packet (sent via e-mail and posted on BVS webpage)

- Draft Agenda
- Draft Minutes of the September 16, 2020, meeting
- Seven JLC 2021 Priorities (numbered JLC 2021-01 through JLC 2021-07)

Call to Order and Pledge of Allegiance

Chairman Michael Dick called the meeting to order at 10:00 a.m., welcomed all attendees to the meeting, and gave a brief overview of how the meeting would proceed.

Chairman Dick led the Pledge of Allegiance.

Roll Call and Quorum Determination

The roll was called and a quorum was determined with 24 of 24 members present.

Amendment and approval of Agenda

Chairman Dick reminded members that the purpose of this meeting is to consider the JLC initiatives identified as legislative priorities and receive reports from the legislative members of the BVS. The Chairman stated that although the BVS is not a legislative advocacy organization, by considering the JLC initiatives and providing input, BVS can help influence the action with regard to the initiatives.

The Chair asked for a motion to amend Item V on the agenda, the introduction of Virginia Department of Veterans Services (VDVS) staff and guests, to include a report by the VDVS Commissioner on the COVID situation at the Veteran Care Centers.

Senator John Bell made the **motion, seconded** by Delegate Buddy Fowler to amend Agenda Item V.

The Chairman asked for a substitute motion to approve the meeting agenda as amended. Delegate Kathleen Murphy made the **motion, seconded** by Ms. Kathy Owens, to approve the agenda as amended. There was no further discussion. A roll call vote was taken, and **the motion carried by a vote of 24-0**. (The approved agenda is included as Attachment 1 to these minutes).

Approval of Minutes of the September 16, 2020, Meeting

Chairman Dick asked for a motion to approve the minutes of the September 16, 2020 meeting. Ms. Kathy Owens made a **motion, seconded** by Mr. Victor Angry, to approve the minutes of the September 16, 2020, meeting as presented. There was no discussion. A roll call vote was taken, and **the motion carried by a vote of 24-0**.

Introduction of VDVS staff and guests

VDVS Commissioner John Maxwell introduced the DVS team members. Their names are

recorded above. Chairman Dick asked Mr. Combs if there were any guests. Mr. Combs recognized Mr. Aaron Palmer from Senator Bell's office and Assistant Secretary of Veterans and Defense Affairs, Mr. Jon Ward.

Update on Veteran Care Centers

Chairman Dick asked VDVS Commissioner Maxwell to provide an update on the Veteran Care Centers (VCCs). Commissioner Maxwell reported that:

- COVID outbreaks at the care centers started in early October. Prior to that, there were spotty cases that were easily contained.
- The Virginia Veterans Care Center (VVCC) in Roanoke reached a peak of 59 active cases – 40 residents and 19 staff. 23 COVID-19 positive residents passed away.
- VVCC Administrators made significant headway in reducing case count and containing outbreak.
- As of November 12, VVCC in Roanoke had 12 active resident cases and 5 active staff cases. VVCC continues to implement policies and protocols with respect to infection control.
- The Sitter & Barfoot Veterans Care Center (SBVCC) reached a highpoint of 28 residents active with COVID and 10 staff active with COVID. Eleven veterans were lost to COVID at SBVCC.
- The number of cases peaked the third week in October at both care centers. No lives have been lost since November 4.
- The Commissioner reported that the current number of cases at SBVCC there are zero active resident cases and 4 active staff cases. The Commissioner emphasized that the credit goes to the Administrators, Director of Nursing, and their staff.
- The VCCs had to implement restrictions to effectively “lock down” the residents in their rooms to help stop the spread, but this does come with certain effects on the psychological health of residents.
- The Commissioner thanked the Virginia National Guard for conducting two rounds of testing at each care center prior to the outbreaks. During the outbreak, the care centers asked for help with N95 respirators fit testing and training, and the Commissioner stated the National Guard provided the assistance in very short order.
- The Commissioner also thanked the Virginia Department of Health and the VA medical centers for help with infection control processes and infection control reviews.
- Staff from VA medical centers around the country assisted both care centers with emergency deployers. Approximately nine staff at each Center from Supervisors, nurses and CNAs.
- Testing protocols continue based on community positivity rates. In Roanoke, the positivity rate is 10% so VVCC is doing testing twice per week. In Richmond, the positivity rate is 5% so SBVCC is doing testing once per week.
- If there are any symptoms from residents or staff, they take a rapid test, even though there have been a high rate of false negatives reported.
- The Commissioner stated the PPE supplies are adequate at both care centers. Leadership is resilient.
- Commissioner discussed some constructions projects. The state offered matching funds if VDVS receives grants from the VA. These projects would help with future pandemics.

- The Commissioner stated that a press release is posted weekly on the VDVS website that discusses the current caseload related to COVID-19.

Ms. Kathy Owens asked the Commissioner about the rapid testing with the 30% error rate. Her question: since everyone who tests negative is treated as positive and everyone who tests positive is treated as positive, she asked if the state pays for the test and she further asked what the point is of taking the test if everyone is treated as positive.

The Commissioner responded the Care Centers pay for the tests through their operational funds. The rapid test is 15 minutes vice the other test that takes 2–4 days for results. Rapid testing allows for quicker action in response to positive test results. Staff sent home if positive. For negative results, the VCCs can still respond by putting the residents on precautionary measures.

The Chairman asked for a written version of the Commissioner's report to be included in the minutes.

Chairman Dick thanked Commissioner Maxwell and asked for any questions from the members. There were no questions.

The Chairman moved to Item 6 and stated that Joint Leadership Council of Veterans Service Organizations (JLC) Chairman Bill Ashton would brief the BVS on the JLC's 2021 initiatives. Chairman Dick said that Mr. Ashton would give an overview of and walk the BVS members through all of the initiatives, after which the floor would open for members to provide questions and comments about individual initiatives.

Joint Leadership Council of Veterans Service Organizations (JLC) 2021 Initiatives

JLC Chairman Bill Ashton greeted the BVS members, then gave a shout out to the Virginia War Memorial for the great job they did on Veterans Day. He also thanked the VDVS staff for help in putting together the papers and getting them posted.

Mr. Ashton stated the JLC looks for veterans' benefits in the Commonwealth of Virginia. He further stated there are over 721,000 veterans in Virginia.

Mr. Ashton gave an overview of the seven JLC initiatives for 2021. He covered the objective and recommendation for each. The position papers supporting the JLC 2021 initiatives are included in these minutes as Attachment 3 as presented at the November 13 BVS meeting:

1. JLC 2021-01, Income Tax Subtraction for Certain Low-Income Disabled Veterans;
2. JLC 2021-02, Tax Credits for Employers who hire National Guard and Reserves;
3. JLC 2021-03, Tax Relief for Surviving Spouses of Military Service Members "Killed in Action" to also include "Died on Active Duty;"
4. JLC 2021-04, Disabled Veteran State Park Passport for all service-connected disabled veterans;
5. JLC 2021-05, Reduced Price Annual Pass to Virginia State Parks for Guard Members;
6. JLC 2021-06, No Cost License Plates for Guard Members;
7. JLC 2021-07, Partial State Income Tax Exemption for Military Retirees.

Mr. Ashton reported to the Chairman that these are the seven position papers voted on by the JLC during the October 21 meeting. Mr. Ashton then stated he was open to any questions related to the papers.

Chairman Dick thanked Mr. Ashton for the overview of the position papers and the JLC efforts.

Chairman Dick stated that he would exercise the Chair's prerogative to ask his question prior to turning the discussion over to the members.

Chairman Dick commented that what strikes him about what is on the list is what is not on the list. He said he did not see anything about veteran education, mental health support and suicide prevention, veteran homelessness or the special needs of women veterans. Chairman Dick commented that these issues are at the forefront of actions by DVS and others and in the front pages of the newspapers and asked why they are not addressed in the JLC initiatives.

Mr. Ashton thanked Chairman Dick for the question. He responded by saying the JLC process is for the member Veteran Service Organizations (VSOs) to come up with their recommendations and issue papers. He further commented there were no position papers proposed to the JLC addressing these issues, but that he would definitely take note of it. He added that DVS was heavily engaged in efforts related to veteran homelessness and suicide prevention, which was also a priority of the U.S. Department of Veterans Affairs. Mr. Ashton said he was not able to confirm why a VSO did not address these priorities in a 2021 proposal but he did take note of the concern and would take it to the JLC.

Chairman Dick thanked Mr. Ashton and turned the discussion over to the members.

Chairman Dick recognized Delegate Helmer.

Delegate Helmer echoed Chairman Dick's comments and said he hoped Mr. Ashton would take the issue of support for Virginia's most needy veterans back to the JLC, and that he hoped that future JLC discussions would focus on helping this segment of the veterans population. He commented on the first JLC recommendation relating it to the most underserved veterans, saying he carried it last year, and looks forward to the first recommendation going forward.

Delegate Helmer commented on the second proposal and directed his comments to Commissioner Maxwell. Delegate Helmer said he carried the Tax Credits for Employers Who Hire National guard and Reserves last year and was happy to carry it. He noted he is now aware of the V3 Program, which provides grants to employers who hire veterans. Delegate Helmer noted that the V3 grant program is already funded. Delegate Helmer asked the Commissioner how the V3 program is working today, and shared his thoughts for a way ahead to continue funding into the V3 program rather than adding a new tax credit that brings a fiscal impact.

Commissioner Maxwell thanked Delegate Helmer for the question.

Commissioner Maxwell commented that the V3 program is a huge success. The Commissioner

noted that as of November 9, 67,900 veterans have been hired through the V3 Program, of which nearly 37,000 have been hired during Governor Northam's term.

Commissioner Maxwell noted just under \$60,000 in grants were given to employers this year. He further commented that VDVS has never spent the entire \$500,000 amount dedicated to the V3 grant program. He noted DVS might not reach \$100,000 this year, but DVS has awarded \$59,000 so far.

The Commissioner noted the greater accomplishment is the number of veterans hired and noted the program is working. He noted transitioning service members contact the transitioning services program coordinators who help them identify interests and further connect them to V3 employers. He commented the linkage is very effective. The Commissioner noted the average salary is over \$70,000 this year for transitioning service members, and it was over \$80,000 last year.

The Commissioner noted the transitioning services coupled with V3 is effective.

Delegate Helmer thanked the Commissioner and noted the response answered his question.

Delegate Helmer asked Chairman Dick for a follow-up. Chairman Dick allowed an additional question.

Delegate Helmer asked the Commissioner if the V3 program is targeted at the Guard as well as transitioning service members.

The commissioner took note of the question and requested it as a "due-out" to respond to Delegate Helmer later. Delegate Helmer acknowledged.

Delegate Helmer recommended that in lieu of pushing the second proposal on tax credits forward, the Board instead provide a letter to the Commissioner and DVS to work on increasing funding to the V3 grant program and ensure it is open to members of the Guard. This would create an avenue to support hiring of the Guard, rather than creating a new tax credit with a fiscal impact.

Delegate Helmer commented he is in support of the JLC effort, but noted his concern with the fiscal impact of an additional tax credit.

Chairman Dick recognized Senator Reeves.

Senator Reeves commented that not every employer is part of the V3 program. He noted the V3 program continues to grow but their outreach is only so big. He commented the intent of the proposal is to retain members of the National Guard in Virginia.

Senator Reeves commented the Adjutant General relays one of the biggest challenges the Guard faces is building their fighting force to respond to the demands of the Commonwealth.

Senator Reeves commented the initiatives are intended as a reward to employers who retain Guardsmen within the Commonwealth and not lose them to other states that offer incentives not offered within the Commonwealth.

Senator Reeves said that he opposed the recommendation made by Delegate Helmer on the initiative. He said that could be tabled temporarily until the board receives definitive numbers back from the Commissioner, but the Commonwealth must take steps to retain its Guardsmen.

Kathy Owens commented the V3 program is specifically for transitioning members that separated and noted there are strict rules stating the veteran has to be within six months of separation to qualify for some of the grants. She commented the V3 program is not intended for the hiring or retention of National Guard members.

Chairman Dick asked Senator Reeves to confirm that the Senator intended to state the V3 program is not enough and more tools are needed in the tool kit for Guardsmen.

Senator Reeves confirmed and further commented he served on the Virginia Military Advisory Council (VMAC). Senator Reeves commented the Commonwealth is growing the number of veterans at 1.23% of transitioning service members who decide to stay in the Commonwealth, so Virginia is still in a growth rate of military members following their transition.

Senator Reeves noted the Commonwealth is not currently losing more veterans than it is gaining, but this could change and the Commonwealth must continue to focus on retaining service members and veterans.

Senator Reeves commented he was thrilled that Constitutional Amendment 2 was approved by the voters; the amendment will provide a tax exemption for one vehicle used by a service-connected disabled veteran. He noted though that providing the exemption will come at a cost for many localities. Noted there are differences in the number of veterans within each locality and that localities will need to fill the gap of income for the vehicles. He noted localities were complaining heavily.

Senator Reeves commented it will be a tough budget year. He noted work recently concluded on high priority COVID issues.

Senator Reeves commented it is reasonable and prudent to assume monies are tight, so some of the smaller initiatives that do not cost a lot, but can help retain members in the Guard, should be considered.

Kathy Owens commented the business that hire Guard and Reserves do not qualify for the V3 grant.

Chairman Dick recognized Senator Bell.

Senator Bell commented he agrees with Senator Reeves and that they serve together on the General Assembly Military and Veterans Caucus. He said he too would love to see future

consideration, as Delegate Helmer mentioned, for suicide prevention. He noted too many veterans die of suicide, that it is a critical issue, and there needs to be an “all hands on deck” approach.

Senator Bell commented on retention and emphasized the importance of working to retain Guard members, noting many of them lose money from their regular jobs while serving as a Guardsman and the strain on families, and that they need support.

Senator Bell agreed that going forward; it will be a challenging fiscal environment and anything that costs big money will be difficult this year. He commented seeds can be planted and fields prepared, but members must say realistic in expectations.

Senator Bell commented he did a lot of charity work for Warrior Retreat/Willing Warriors. He commented he works with this organization in his district and that it provides respite for wounded warriors coming out of Walter Reed. Senator Bell commented that the charity organization received a \$24,000 tax bill because they saw one of the facility’s buildings as a regular home, when instead it provides a respite for wounded veterans at no cost. Senator Bell wants a constitutional amendment to make those buildings tax-free. The Warriors Retreats are nonprofit. Senator Bell commented this initiative fits in with the current discussion. He also commented this is a direct connection to suicide prevention since the retreats offer respite and fresh air. He commented the retreats saved some from bad situations. He said this is an important part on how Virginia wants to treat its veterans.

Chairman Dick thanked Senator Bell and asked if Senator Locke had a comment.

Senator Locke commented that the issues of suicide prevention, women veterans, and mental health are issues that need consideration. She agreed actions should be taken to retain members of the National Guard; however, she commented that she is not in favor of tax credits that have an uncertain fiscal, and that she cannot support tax credits with unspecified fiscal impacts.

Chairman Dick recognized Delegate Helmer.

Delegate Helmer commented that he takes Ms. Owen’s comments seriously and was not aware of the shortcoming in the V3 program. He said that he associates himself with Senator Locke’s comments on the tax credits not being efficient because they do not go directly to members of the National Guard but wants to see the V3 program incentivize the retention of the National Guard and Reserve.

Chairman Dick thanked Delegate Helmer and recognized Assistant Secretary Ward.

AS Ward commented on the work the V3 program achieves. AS Ward commented the V3 program requires companies going through the certification process to adopt HR policies that are welcoming to a veteran or a current serving member of the National Guard. He commented that a lot is lost when the focus remains on the \$1,000 tax credits or grants for the small set of employers who qualify. AS Ward said companies have to be below a given threshold, so multi-million dollar companies with thousands of employees would not qualify for the grant, but a

small business would qualify. He commented that companies gain best practices for hiring veterans achieving a positive military culture from which veterans and Guardsmen would benefit.

Chairman Dick thanked AS Ward and recognized the Commissioner.

Commissioner Maxwell emphasized VDVS does not turn away Guard members if they are not a veteran. He commented VDVS will help any veteran that wants help and if the veteran is a right fit for a V3 company, VDVS will make the connection. He noted V3 is built upon businesses that want to hire veterans. He commented that VDVS will still help a Guard member who is technically not a veteran but it relates to the grant and how the grant is built, and that become the nuance. The Commissioner stated VDVS does not turn away Guard members if they seek assistance for employment with a V3 company. The Commissioner acknowledged he owes additional information on VDVS efforts to reach out the National Guard.

Chairman Dick thanks Commissioner Maxwell.

Chairman Dick recognized Delegate Helmer.

Delegate Helmer stated he will make a motion at the appropriate time.

Chairman Dick thanked Delegate Helmer and commented the Board will walk through comments on any of the other initiatives and if there is general agreement, the Board can perhaps vote on a group of them or vote on them individually.

Chairman Dick asked if there were any other questions or comments about any other initiative.

Chairman Dick recognized Delegate Marcus Simon.

Delegate Simon's question related to tax exemption on military retirement and asked if the fiscal impact is known. He echoed Senator Locke and commented it is a tough budget year. He noted the uncertainty of the COVID 19 fiscal impact. Delegate Simon commented this initiative might be an expensive proposition.

Chairman Dick commented this was also a concern of his and referenced a study through House Joint Resolution 674 (2019 General Assembly) discussing tax exemption on military retirement and commented the fiscal impact was significant depending on the option selected.

Chairman Dick asked Mr. Ashton if there is a number associated with the fiscal cost to the state for this initiative.

Mr. Ashton replied that he did not have a number but commented a study conducted last year on a phased approach for military retirees over the age of 65 started with 10% the first year, followed by 20% the following year, then 30% up to 50%. Mr. Ashton noted that allowing retirees to subtract \$2,500 from their income would give them approximately \$300 back in their pocket. He commented the return on investment would be keeping the veterans in the

Commonwealth and having the veteran spend that money in the Commonwealth.

Chairman Dick thanked Mr. Ashton and further commented that Virginia taxes military retirement currently without a decrease in the number of military retirees staying in Virginia. Chairman Dick noted that Virginia taxes 100% of military retirement, however, Virginia is number three, behind Texas and Florida, for the number of military retirees living in the state.

Mr. Ashton acknowledged the point made and commented the Fleet Reserve Association submitted the position paper and commented that many who retire from a second career, around the age of 65, are leaving Virginia because Virginia taxes 100% of military retirement pay.

Chairman Dick thanked Mr. Ashton and recognized Ms. Owens.

Ms. Owens noted a study done at the Secretariat level possibly by the Roosevelt Group in conjunction with the report entitled *Growing the Military Mission in the Commonwealth of Virginia*. She noted there are numbers within the report and information on the effects of changing retirement taxation.

Chairman Dick thanked Ms. Owens and recognized Senator Bell.

Senator Bell noted he is a military retiree that would benefit from the legislation; however, he commented it would have a huge fiscal impact on the Commonwealth and further commented there needs to be an understanding of the dollar amount. Senator Bell also discussed associating an income level, noting some retirees make a lot of money in their second career so this may not be the right thing to do by offering it to everyone. Senator Bell commented that this initiative need further vetting.

Chairman Dick thanked Senator Bell and noted last Spring, Wallet Hub, an independent entity that assesses various economic factors broken down by states, identified Virginia as the number one state in the union for military retirees and remains an attractive place.

Chairman Dick recognized AS Ward.

AS Ward echoed the Chairman's comments and noted it is the second year in a row Virginia received that designation from Wallethub.com. AS Secretary Ward commented that Ms. Owens is correct about the tax study conducted by the Secretariat and that it was available on the General Assembly's website in the "Reports to the General Assembly" section. AS Ward addressed the question of fiscal impact for tax exemption on military retiree pay and noted it would equal approximately \$295 million in lost revenue for the Commonwealth by 2027.

Chairman Dick thanked AS Ward and noted it is not exactly what the JLC initiative is about, but that this does give a sense of the fiscal impact.

Chairman Dick noted that there had been much discussion regarding JLC initiatives 2 and 7. Setting those two aside for the moment, he asked if there was any discussion on the remaining five initiatives.

Chairman Dick recognized Mr. Carl Bess.

Mr. Bess commented he wanted to add initiative number 3 to the list to be set aside (this issue concerns adding “died on active duty” to the tax exemption for surviving spouses). Mr. Bess commented that he appreciates and shares the compassion for the initiative but believes it requires further study because of the potential fiscal impact. Mr. Bess commented on a Congressional Research Paper commissioned July in 2020 on active duty military deaths since 2006. In the 12 years following 2006, he noted the nation reported 16.3% of combat deaths attributed to “killed in action,” there was over 31% attributed to “died while on active duty.” Although Mr. Bess did not have the figures specifically for the Commonwealth, he commented this initiative might have substantial impact.

Chairman Dick asked Mr. Ashton if he had any numbers associated with this initiative.

Mr. Ashton thanked the Chairman and commented the numbers are not available. He noted that he contacted the VA and the insurance company that pays the SGLI to identify those who died on active duty within the Commonwealth of Virginia but was not able to get the numbers.

Chairman Dick thanked Mr. Ashton and Mr. Bess and asked for any other comments on initiative three and the fiscal impact.

Senator Bell agreed with the compassion of the issue but recommended further study. He noted there are significant programs in place for family members, and recommended further study before proceeding.

Chairman Dick thanked Senator Bell and asked if Mr. Ashton had any comments given this was a Fleet Reserve Association initiative.

Mr. Ashton commented that Virginia provides a property tax exemption for 100% permanent and total veterans and their surviving spouses, but that the only way the surviving spouse of active duty service member can qualify is if his/her spouse is killed in action. Mr. Ashton noted that service members also die or are killed during training missions or on active duty, and through this initiative, the surviving spouse would receive the same benefit as a spouse of someone killed in action.

Chairman Dick asked for any additional comments on the third initiative. No additional comments were made.

Chairman Dick asked for comments on the remaining initiatives 1, 4, 5, and 6. No comments were made or questions asked.

Chairman Dick asked if there were any objections to these JLC initiatives. None were made.

Chairman Dick summarized to say that the BVS supported (or at least did not oppose) Initiatives 1,4,5, and 6, but that Initiatives 2, 3, and 7 need more study and numbers to support. He

suggested the Board vote on numbers 1, 4, 5, and 6 as a group to support and 2, 3, and 7 as a group to request additional study.

Chairman Dick asked for any questions or comments on the approach. None received.

Senator Bell made a **motion, seconded** by Senator Reeves on the approach suggested by Chairman Dick.

Chairman Dick noted the motion on the floor is for the BVS to support Initiatives 1, 4, 5, and 6 as presented and to take no position on initiatives 2, 3, and 7 pending additional study.

Chairman Dick asked for any discussion of the motion made and seconded. Hearing none, Chairman Dick called for a vote. A roll call vote was taken, and the motion carried by a vote of 20-0 with one abstention. Three members were not available for the vote.

Chairman Dick turned to the General Assembly member reports. Chairman Dick turned the floor over to Delegate Murphey.

Delegate Murphey commented on her work with Women Veterans issues. She noted that VDVS has a Women Veterans Coordinator position, but that with more than 107,000 Women Veterans in Virginia, a second position is needed. Delegate Murphy commented that she put in a request for funds in the 2020 regular session, and that this was included in the budget that was approved during the regular session. She noted, though, that the funding had be removed during the special session due to reduce revenues related to COVID-19. Delegate Murphy commented she is hoping for support to put the request back in for funding.

Chairman Dick thanked Delegate Murphy

Delegate Murphy commented on the success of Women Veterans Roundtables, and noted that she believed some of our larger companies want to get involved with the effort and further commented when COVID is over, the program will be more helpful for Women Veterans.

Chairman Dick thanked Delegate Murphy for her efforts and noted the Board will stay tuned.

Chairman Dick recognized Delegate Fowler.

Delegate Fowler commented he remains concerned about the state's financial situation moving forward and noted the concerns were addressed in the discussion of the initiatives on hold with which he agrees. Delegate Fowler commented he had a conversation with the Liaison for the National Guard and noted the Liaison's interest in getting the license plates and the state parks pass. He commented these are items with a much more reasonable impact that may be achievable.

Delegate Fowler noted another issue for the Guard, commenting if a Guard member is injured while on federal orders, there is compensation available, but a lapse exists when a Guard member is injured while on state orders. Delegate Fowler noted there is no legislation in front of

them but commented on the need for a better system.

Chairman Dick thanked Delegate Fowler and recognized AS Ward.

AS Ward thanked Delegate Fowler and confirmed the information and identification of the problem. AS Ward commented on the potential for funding in the Governor's introduced budget to solve the issue related to Guard members being injured on state active duty, and the General Assembly will have an opportunity to review during the regular session. AS Ward commented, it is an issue on state active duty, especially during COVID when Guard members are working off extension of Title 32 orders with different mission sets to accomplish.

Delegate Fowler thanked AS Ward.

Chairman Dick thanked Delegate Fowler and AS Ward for highlighting the issue.

Chairman Dick recognized Delegate Simon.

Delegate Simon noted he had no initiatives this year but he is on the Privileges and Election Committee as the Vice Chair and commented he may serve as Chair. He commented about ensuring nothing erodes voting rights for veterans, active duty military overseas, or veterans making domicile in Virginia, and that they can vote absentee and have their votes counted. He also noted that there may be discussion in the upcoming session regarding service members being able to participate in primary elections.

Chairman Dick thanked Delegate Simon and recognized Delegate Helmer.

Delegate Helmer followed up on Delegate Simon's comments to indicated he is bringing forth a bill this year, that he brought last year, and desires the support of the Board. He noted the system in Virginia to allow parties to choose their nominating processes for elected positions, and further commented on nominating processes that have the practical effect of excluding participation of active duty military and permanently disabled veterans who are not able to attend in person. Delegate Helmer asked for the support of the Board of nominating processes with reasonable accommodations for active duty military and permanently disabled veterans to participate.

Chairman Dick thanked Delegate Helmer and suggested when the draft legislation is written, it can be circulated among the Board. Delegate Helmer commented last year's version can be shared, not knowing when the new published version will be available, but it will be the same.

Chairman Dick asked Delegate Helmer for any additional comment. Delegate Helmer added his support for Delegate Murphy's effort to fund the second position for Women Veterans.

Delegate Murphy thanked Delegate Helmer. Chairman Dick thanked Delegate Murphy and recognized Senator Locke.

Senator Locke reaffirmed support to restore the funding for the women veterans position that

Delegate Murphy supports. Senator Locke noted that, pre-COVID and a decline in revenue, the General Assembly was able to support the new funding for veterans issues, including the women veterans position, and commented she looks forward to allocating these funds again if the revenue outlook is favorable.

Chairman Dick thanked Senator Locke and indicated support from the Board on that issue.

Chairman Dick recognized Senator Reeves.

Senator Reeves commented that he will submit a budget amendment in the 2021 Session to earmark funds to expand veterans' dockets. He noted that the regional docket in Spotsylvania has been a huge success, and that Circuit Judge Ricardo Rigual has more eligible veterans than he had space on his docket. Senator Reeves said that as part of justice reform initiatives, veterans dockets have something like a 99.6% success rate, and that this is money well spent rehabilitating veterans.

Chairman Dick thanked Senator Reeves and commented that he is with the Puller Clinic at the College of William & Mary, and although the clinic does not work veterans' dockets, the Chairman remains interested to learn more and will connect with Senator Reeves offline.

Chairman Dick recognized Senator Bell.

Senator Bell commented on the initiative mentioned earlier with respect to not taxing the Wounded Warrior retreat building. He commented his second initiative is an anti-discrimination protected class for active duty and their families. He noted the Code has veterans as a protected class. Senator Bell noted a loophole and mentioned that sometimes, active duty are discriminated against with renting units and/or spouses with employment and admissions to colleges and seeks to close the loophole by adding the protective class to help active duty service members and their families.

Public Comment

Chairman Dick thanked Senator Bell and noted the conclusion of General Assembly comments and reports and moved to public comments, item VIII on the agenda. None were heard.

Chairman Dick began to wrap up the meeting thanking the Board for their participating in the JLC initiatives and thanked the JLC for bringing them to the Board and giving them the thought the JLC gave to the initiatives.

Chairman Dick recognized Mr. Victor Angry.

Mr. Angry noted the standing up of a first-ever Veterans' Commission in Prince William County. He commented with the help of the BVS Vice Chair, Tammi Lambert, he will announce it at the upcoming Board meeting. He noted there is probably only one other county in Virginia with a Commission and further noted Prince William County has over 50,000 veterans in the Northern Virginia area and commented on Senator Bell's real estate tax initiative and asked for more information. Mr. Angry commented that he had no prior knowledge and he wants to

correct it quickly.

Senator Bell thanked Mr. Angry.

Wrap Up & Adjournment

Chairman Dick thanked Mr. Angry and hearing no public comment, he asked for a motion to adjourn. Senator Reeves made a **motion, seconded** simultaneously by Ms. Owens and Delegate Fowler.

Chairman Dick asked CDC Combs if a roll call vote to adjourn was required. CDC Combs indicated the Board could adjourn by unanimous consent.

Chairman Dick asked for any objection to adjourning by unanimous consent. Hearing no objections, he adjourned the meeting with his thanks at 11:26 a.m.

ATTACHMENT 1
BOARD OF VETERANS SERVICES

AGENDA
ELECTRONIC MEETING

November 13, 2020
10:00 a.m. – 11:15 a.m.

- I. Opening and Pledge of Allegiance – *Michael Dick, BVS Chairman* (10:00 – 10:02)
- II. Roll Call and Quorum Determination – *Michael Dick, BVS Chairman* (10:02 – 10:04)
- III. Approval of Agenda – *Michael Dick, BVS Chairman* (10:04 – 10:06)
- IV. Approval of Minutes of the September 16, 2020 meeting– *Michael Dick, BVS Chairman* (10:06 – 10:08)
- V. Report on COVID-19 at the Veterans Care Centers and introduction of DVS staff and guests – *Michael Dick, BVS Chairman* and *John Maxwell, VDVS Commissioner* (10:08 – 10:10)
- VI. Joint Leadership Council: 2021 Initiatives – *Bill Ashton, JLC Chairman* (10:10 – 10:40)
- VII. General Assembly member reports (Special Session, 2021 Session, proposed legislation or budget initiatives – *BVS legislative members* (10:40 – 11:05)
- VIII. Public comment (11:05 – 11:10)
- IX. Wrap Up & Adjourn – *Michael Dick, Chairman* (11:10 – 11:15)

ATTACHMENT 2

VDVS Report on COVID at Veteran Care Centers



COMMONWEALTH of VIRGINIA

Department of Veterans Services

John Maxwell
Commissioner

Telephone: (804) 786-0220
Fax: (804) 786-0302

November 13, 2020

Virginia Department of Veterans Services (VDVS) Update on COVID-19 cases at Virginia's Veterans Care Centers for the Board of Veterans Services

In early October of 2020, both Sitter and Barfoot Veterans Care Center (SBVCC) and Virginia Veterans Care Center (VVCC) experienced a significant rise in COVID 19 cases. The following is an update on the status of the VCCs as they have managed these challenges:

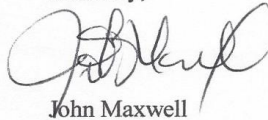
- COVID 19 positive caseload as of 11/12/2020:
 - o VVCC (semi private rooms): 12 active residents, 5 active staff, 23 deaths of COVID-19 positive residents
 - o SBVCC (private rooms): 0 active residents, 4 active staff, 11 deaths of COVID-19 positive residents
- To contain the spread of the virus, residents have mostly stayed in their rooms. Unfortunately, this is not sustainable in the long run for their psychological health.
- VDVS requested and received the following assistance:
 - o VaNG conducted two rounds of testing at each VCC before the outbreaks
 - o VaNG additional fit testing for N95 masks on short notice
 - o Onsite and remote infection control expertise from VDH and VAMC
 - o Leadership discussion between the Chief Deputy Commissioner (CDC) for the Virginia Department of Health (VDH), VDH Deputy Commissioner for Public Health, VDH public health experts, VDVS Commissioner, VDVS CDC, and VCC Administrators
 - o VDH Office of Licensure and Certification random infection control surveys.
 - o In response to the 4th Mission Request to the U.S. Department of Veterans Affairs, received VCC staff augments:
 - 9-10 VA personnel: Supervisor, RNs, LPNs, CNAs

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Page 2

- 12 day missions; approved through 30 Nov, we've requested services through 16 Dec
- 23 October started to arrive
- VVCC conducts two facility-wide testing events per week and SBVCC once per week (based on local positivity rate). Point of Care (antigen) testing is used frequently to augment facility tests, especially when residents and staff are symptomatic.
- Leadership (Administrators, DON) and staff are showing strong resilience in the face of these difficult circumstances.
- PPE stocks are adequate.
- VDVS submitted grant funding requests to USDVA for special CARES Act life/safety renovation projects
 - o Add new barrier control measures (doors, controls, separate exit/entrance) to COVID-19 isolation area
 - o Construct new exterior PPE and long-term storage space
 - o New air filtration system for VVCC
 - o State has pledged \$1M in matching bond funds; expect to receive notification of award/non-award of USDVA grants in January 2021.
- We post a weekly press release with this information on our website every Friday.

Sincerely,



John Maxwell

ATTACHMENT 3

JLC 2021 POSITION PAPERS

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Virginia National Guard
Association
Women Marines Association*

October 21, 2020

JLC Contact
American Legion
Rick Oertel

Position Paper 2021-01

Income Tax Subtraction for Certain Low-Income Disabled Veterans

OBJECTIVE: To allow individual income tax subtraction for the amount of annual retirement compensation received for service as a member of the U.S. Armed Forces, or the Virginia National Guard, for 100% service-connected disabled veterans with a federal adjusted gross income not exceeding 150% of the federal poverty level for a four-person household.

BACKGROUND:

- Virginia currently allows qualifying taxpayers to claim a subtraction for up to \$20,000 of disability income. Disabled veterans who already claim this subtraction would not qualify for the new program or would have to drop this subtraction and claim the new one.
 - West Virginia exempts all military retirement pay from taxation.
 - Kentucky offers a full exemption for all military retirees who retired prior to 1 January 1998; otherwise, retirees may claim an exemption of up to \$31,110.
 - North Carolina offers a full exemption for retirees with five years of service as of August 12, 1989; otherwise, retirees may claim a deduction of up to \$4,000.
 - Maryland offer exemptions of \$5,000 for those under 65 and \$10,000 for those over the age of 65.
 - Tennessee does not tax military retirement since they do not have a state income tax.

DISCUSSION:

- While Combat-Related Special Compensation (CRSC) is not subject to federal or Virginia taxation, Concurrent Retirement and Disability Payments (CRDP) are generally subject to both federal and Virginia taxation.
- Available reports do not provide specific data on the exact number of 100% service-connected disabled veterans in Virginia; however, the VA has given a reasonable estimate of **1,371** disabled Virginia veterans who would qualify for this benefit.
- Department of Taxation considers implementation of this bill as routine, and does not require additional funding.
- No subtraction would be permitted if another Virginia subtraction or deduction for such service has been claimed.

RECOMMENDATION: That the Governor and General Assembly approve an individual income tax subtraction for 100% service-connected disabled veterans with a federal adjusted gross income, not exceeding 150% of the federal poverty level for a four-person household, who have not already claimed another exemption.

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October 21, 2020

JLC Contact
Virginia Army/ Air
National Guard
Enlisted Association
Robert Barnette

Position Paper 2021-02
Tax Credits for Employers Who Hire National Guard and Reserves

OBJECTIVE: To ensure Individual and corporate income tax credit; employers of National Guard members and self-employed National Guard.

BACKGROUND:

- Provides for taxable years 2019 through 2023 a non-refundable tax credit against individual and corporate income taxes for wages paid by an employer to an employee who is a Virginia National Guard member or Reserves.
- Income of a self-employed National Guard member or Reservist attributable to his business would also qualify for a non-refundable tax credit against individual and corporate income taxes for wages paid for taxable years 2020 through 2024.
- For taxable years beginning on and after January 1, 2020, but before January 1, 2025, a self-employed National Guard member shall be allowed a credit against the tax levied pursuant to § [58.1-320](#) or [58.1-400](#) for income attributable to his trade or business during the taxable year.

DISCUSSION:

- The amount of the credit shall be:
 - 25%, if such member was in a military pay status for 65 days or more during such taxable year; or
 - 15% if such member was in a military pay status for 45 days or more during such taxable year.
- The credit should not be allowed if such member was in a military pay status for less than 45 days during such taxable year.
- The taxpayer should be allowed to carry unused credits over for up to five taxable years within the taxable years of 2024 to 2028.
- The amount of the credit claimed shall not exceed the total amount of tax imposed pursuant to § [58.1-320](#) or [58.1-400](#) upon the employer for the taxable year.

RECOMMENDATION: That the Governor and General Assembly approve Tax credits for employers of National Guard members and self-employed National Guard members

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October 21, 2020

JLC Contact
Fleet Reserve
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 William Ashton

Position Paper 2021-03

Expand Tax Relief for Surviving Spouses of Military Services Members “Killed in Action” to also include “Died on Active Duty”

OBJECTIVE: To expand Tax Relief for Surviving Spouses of Military Services Members of the Armed Forces to include both “Killed in Action” and “Died on Active Duty.”

BACKGROUND:

- Virginia Code Title 58.1, Chapter 32, section 58-1-3219.9 states:
On March 23, 2015, legislation was approved by the Virginia General Assembly providing for an exemption of real estate taxes for the surviving spouse of a member of the United States Armed Forces who was Killed in Action as determined by the United States Department of Defense.
- Disabled Veterans or Surviving Spouses Real Estate Exemption:
The Commonwealth of Virginia exempts from taxation the real property, including the joint real property of husband and wife, of any veteran who has been rated by the U. S. Department of Veterans Affairs or its successor agency pursuant to federal law to have a 100% service connected permanent and total disability, and who occupies the real property as his or her principal place of residence.

DISCUSSION:

- Approximately only 1% of the American population served in our Armed Forces
- Virginia Code states a surviving spouse is eligible for exemption of real estate taxes if the spouse is “Killed in Action” verified by Department of Defense
- Disabled Veterans who are 100% Permanent and Total rating by the Veterans Administration are eligible for the tax exemption. If this Veteran dies of a service connected disability his/her spouse will continue the entitlement.

RECOMMENDATION: Legislation introduce in the General Assembly to amend the Code of Virginia to change “Killed in Action” to “Died on Active Duty.”

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October 21, 2020

JLC Contact
 American Legion
 Rick Oertel

Position Paper 2021-04

Disabled Veteran State Park Passport

OBJECTIVE: To expand the Disabled Veterans Passport for free entry into state parks and discounted services to all service-connected disabled veterans

BACKGROUND:

- Currently a veteran must have a 100% service-connected permanent disability to receive free entry to state parks and a 50 percent discount on camping and swimming fees, picnic shelter rentals, and other Department of Conservation and Recreation equipment rentals.
- Maryland waives admission fees for all veterans and most North Carolina parks are free. All Border States offer state park lodging and / or offer outdoor recreation discounts to veterans.
- In 2010, HB3 was proposed to expand eligibility to all service-connected disabled veterans. The fiscal impact at the time was estimated to be a revenue loss of under \$38,000/year. This bill had bipartisan support but did not make it out of sub-committee for reasons not related to its worthiness.
- On 22 June 2020, the United States Senate passed S327, Wounded Veterans Recreation Act, unanimously to make the National Parks and Federal Recreational Lands Pass available, without charge and for the lifetime of the pass holder, to any veteran who has been found to have a compensable or non-compensable service-connected disability.
- H.R. 4930, a companion bill to S327, has been submitted in the House of Representatives.

DISCUSSION: The National Park Service, recognizing the importance of outdoor activities and access to historic sites as rehabilitation for those who have become disabled in service to the Country, has unofficially loosened requirements to allow those with less than a 100% disability to be issued a National Park Pass free for life. The Congress of the United States is in the process of officially making this law and Virginia should follow suit.

RECOMMENDATION: That the General Assembly enact and the Governor sign legislation that that would expand the Virginia Disabled Veteran's Passport to any Virginia veteran who has been found to have a service-connected compensable or non-compensable disability.

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October 21, 2020

JLC Contact
Virginia National Guard
 Kevin Hoffman

Position Paper 2021-05

Reduced Price Annual Passes to Virginia State Parks for Guard members

OBJECTIVE: To ensure Virginia's continued commitment to the men and women of the Virginia National Guard by offering a 50% discount on Virginia State parks annual pass.

BACKGROUND:

- Numerous states offer free admission to state parks for their National Guard Members.
- A reduced price pass allows the Virginia Department of Conservation and Recreation to examine the number of passes issued at a discount and provides adjustments, if necessary, based on usage.
- Federal parks are now free for active service members, which includes the National Guard members.

DISCUSSION:

- Virginia National Guard Soldiers will mobilize into federal service from Fort Hood Texas in the spring of 2021. They will be able to visit all of the State parks in Texas without paying an entrance fee. Those same Soldiers will have to pay a fee to use a state park in Virginia.
- The cost of this effort is relatively low in extending a 50% discount to our National Guard members. We recognize their continued service to the Commonwealth during times of need. This year alone approximately 1,500 Guard members have mobilized in response to COVID 19 and civil disturbances throughout the Commonwealth.

RECOMMENDATION: That the Governor and General Assembly grant reduced price annual passes to Virginia State parks to members of the Virginia National Guard.

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October 21, 2020

JLC Contact
Virginia National Guard
Kevin Hoffman

Position Paper 2021-06

No Cost License Plates for Guard members

OBJECTIVE: To ensure Virginia's continued commitment to the men and women of the Virginia National Guard by changing the current 50% reduced price for a maximum of two license plates per household and registrations to 100% reduction for a single (1) license plate and registration.

BACKGROUND:

- Virginia currently offers a 50% reduction in cost for National Guard members to register up to two vehicles in the Commonwealth if they register using Guard plates. These plates contain a logo indicating National Guard membership.
- Requested change would be one free license plate and registration per household.
- Those who currently have two registrations would be allowed to keep their two plates but all new registration requests would be limited to a single registration.
- Currently less than 20% of Guard members opt to get the plates.

DISCUSSION:

- Further reducing the cost of license plates for National Guard members would incentivize more members to obtain the National Guard plates, which would in turn further highlight their contributions and awareness of the Guard members in our communities.

RECOMMENDATION: That the Governor and General Assembly further reduce the cost of license plates to recognize the service and commitment of our National Guard members.

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Position Paper 2021-07

Partial State Tax Exemption for Military Retirement Income

OBJECTIVE: To reform the Virginia state tax law, creating a partial exemption on military retirement income beginning in 2021.

BACKGROUND:

- Currently Virginia does not exempt military retirement income, while three of Virginia's neighbors (NC, WV, MD) have some level of state tax exemption on military retirement income.
- The personal income tax laws of over half the states provides various exclusions from gross income in determining tax liability, including an exclusion for combat-related special compensation and death benefit payments received by a surviving spouse or other beneficiary designated by a military veteran.

DISCUSSION:

- Non-military income, including all income derived from federal or military contracts, consulting or full-time employment will be taxed at the full gross income percentages.
- The qualifying retirement income must be received as a result of an honorable discharge and retirement from full-time, active-duty service in the armed forces of the United States, or reserve components thereof, including the National Guard.
- For each taxable year beginning on or after January 1, 2021,
- Beginning in 2021: A military retiree under the age of 65 may subtract \$2,500 and \$5,000 for those 65 years old from federally adjusted gross income before determining Virginia tax.

RECOMMENDATION: That the Governor and General Assembly support changes to the current Virginia tax laws for a partial exemption of military retirement pay to reduce state tax on military retirement income.

October 21, 2020

JLC Contact
Fleet Reserve
Association
 William Ashton